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To The Chairman of the Federal Communications Commission:

We are Independent Representatives for Excel-VarTec, a competitive telecommunications carrier that serves over 2 million subscribers nationwide, in urban and rural areas alike. Competition in the telecom industry has benefited greatly by the 1996 Telecommunications Act. But this competition, our company, and our livelihood are being threatened by requests being made to the FCC by Incumbent Local Exchange Carriers (ILECs) such as Southwestern Bell and other regional Bells which, if allowed, would essentially bypass the mandates of the Telecom Act of 1996. Provisions of this Act require that the various ILECs unbundle their networks as a prerequisite to being allowed back in the long distance markets.

While the regional Bells, and Southwestern Bell in particular, offer discounted retail rates to their consumers in less populated areas, their wholesale prices follow an inverse structure. For example, while Southwestern Bell's base rate for lines in the rural areas of Texas is approximately 26% lower than metro areas, they price their rural wholesale rates for the same lines approximately 69% higher. This basically prevents companies like ours from marketing to the entire Southwestern Bell service area. We also know that ILECs, such as Southwestern Bell, receive government subsidies to provide service to low income, rural and high-cost customers. These subsidies, known as the Universal Service Fund (USF), were developed by the FCC and state regulators to promote the availability of quality services at affordable rates to all consumers (including those in low income, rural and high-cost areas). These subsidies offset the cost to ILECs to provide services to these customers.

Competitive Local Exchange Carriers (CLECs) like Excel-Vartec do not have the same opportunity to access government subsidies such as the USF. Ideally, we would like CLECs to have the same opportunities for subsidies as the incumbent telephone companies enjoy, which we feel is only fair. CLECs were recently awarded access to these funds in the state of Texas, but the decision was appealed by Southwestern Bell, which further delays our company's ability to provide local service to some of our rural customers.

It is IMPERATIVE that we protect the Telecom Act of 1996! We urge you to support FAIRNESS IN THE MARKETPLACE, as required by federal mandate, and demand that the ILECs UNBUNDLE THEIR NETWORKS FOR COMPETITION!

Competition has always been good for the people of this great nation!

Nancy and Roland Finken
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Confirmed

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